
BILL REQUEST - CODE REVISER'S OFFICE

BILL REQ. #: Z-0388.1/01

ATTY/TYPIST: ML:rmh

BRIEF DESCRIPTION: Issuing general obligation bonds.

1 AN ACT Relating to state general obligation bonds and related
2 accounts; adding a new chapter to Title 43 RCW; and declaring an
3 emergency.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** For the purpose of providing funds to
6 finance the projects described and authorized by the legislature in the
7 capital and operating appropriation acts for the 2001-2003 fiscal
8 biennium, and all costs incidental thereto, the state finance committee
9 is authorized to issue general obligation bonds of the state of
10 Washington in the sum of nine hundred fifty-six million seven hundred
11 twenty-five thousand dollars, or as much thereof as may be required, to
12 finance these projects and all costs incidental thereto. Bonds
13 authorized in this section may be sold at such price as the state
14 finance committee shall determine. No bonds authorized in this section
15 may be offered for sale without prior legislative appropriation of the
16 net proceeds of the sale of the bonds.

17 NEW SECTION. **Sec. 2.** The proceeds from the sale of the bonds
18 authorized in section 1 of this act shall be deposited in the state

1 building construction account created by RCW 43.83.020. The proceeds
2 shall be transferred as follows:

3 (1) Eight hundred four million dollars to remain in the state
4 building construction account created by RCW 43.83.020;

5 (2) Twenty-two million five hundred thousand dollars to the outdoor
6 recreation account created by RCW 79A.25.060;

7 (3) Twenty-two million five hundred thousand dollars to the habitat
8 conservation account created by RCW 79A.15.020;

9 (4) Fifty million dollars to the state taxable building
10 construction account which is hereby established in the state treasury.

11 All receipts from taxable bond issues are to be deposited into the
12 account. Moneys in the account may be spent only after appropriation;

13 (5) Twenty-nine million twenty-five thousand dollars to the higher
14 education construction account created by RCW 28B.140.040.

15 These proceeds shall be used exclusively for the purposes specified
16 in this section and for the payment of expenses incurred in the
17 issuance and sale of the bonds issued for the purposes of this section,
18 and shall be administered by the office of financial management subject
19 to legislative appropriation.

20 NEW SECTION. **Sec. 3.** (1) The debt-limit general fund bond
21 retirement account shall be used for the payment of the principal of
22 and interest on the bonds authorized in section 2 (1), (2), (3), and
23 (4) of this act.

24 (2) The state finance committee shall, on or before June 30th of
25 each year, certify to the state treasurer the amount needed in the
26 ensuing twelve months to meet the bond retirement and interest
27 requirements on the bonds authorized in section 2 (1), (2), (3), and
28 (4) of this act.

29 (3) On each date on which any interest or principal and interest
30 payment is due on bonds issued for the purposes of section 2 (1), (2),
31 (3), and (4) of this act the state treasurer shall withdraw from any
32 general state revenues received in the state treasury and deposit in
33 the debt-limit general fund bond retirement account an amount equal to
34 the amount certified by the state finance committee to be due on the
35 payment date.

1 NEW SECTION. **Sec. 4.** (1) The nondebt-limit reimbursable bond
2 retirement account shall be used for the payment of the principal of
3 and interest on the bonds authorized in section 2(5) of this act.

4 (2) The state finance committee shall, on or before June 30th of
5 each year, certify to the state treasurer the amount needed in the
6 ensuing twelve months to meet the bond retirement and interest
7 requirements on the bonds authorized in section 2(5) of this act.

8 (3) On each date on which any interest or principal and interest
9 payment is due on bonds issued for the purposes of section 2(5) of this
10 act, the board of regents of the University of Washington shall cause
11 to be paid out of University of Washington nonappropriated local funds
12 to the state treasurer for deposit into the nondebt-limit reimbursement
13 bond retirement account the amount computed in subsection (2) of this
14 section for bonds issued for the purposes of section 2(5) of this act.

15 NEW SECTION. **Sec. 5.** (1) Bonds issued under sections 1 through 4
16 of this act shall state that they are a general obligation of the state
17 of Washington, shall pledge the full faith and credit of the state to
18 the payment of the principal thereof and the interest thereon, and
19 shall contain an unconditional promise to pay the principal and
20 interest as the same shall become due.

21 (2) The owner and holder of each of the bonds or the trustee for
22 the owner and holder of any of the bonds may by mandamus or other
23 appropriate proceeding require the transfer and payment of funds as
24 directed in this section.

25 NEW SECTION. **Sec. 6.** The legislature may provide additional means
26 for raising moneys for the payment of the principal of and interest on
27 the bonds authorized in section 1 of this act, and sections 2 through
28 4 of this act shall not be deemed to provide an exclusive method for
29 the payment.

30 NEW SECTION. **Sec. 7.** The bonds authorized in section 1 of this
31 act shall be a legal investment for all state funds or funds under
32 state control and for all funds of any other public body.

33 NEW SECTION. **Sec. 8.** If any provision of this act or its
34 application to any person or circumstance is held invalid, the

1 remainder of the act or the application of the provision to other
2 persons or circumstances is not affected.

3 NEW SECTION. **Sec. 9.** Sections 1 through 7 of this act constitute
4 a new chapter in Title 43 RCW.

5 NEW SECTION. **Sec. 10.** This act is necessary for the immediate
6 preservation of the public peace, health, or safety, or support of the
7 state government and its existing public institutions, and takes effect
8 immediately.

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